

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA**

1) OKLAHOMA HEALTH CARE ASSOCIATION,)	
)	
)	
Plaintiff,)	
)	Case No. CIV-11-1511-F
v.)	
)	
1) CLARENDON NATIONAL INSURANCE COMPANY,)	Jury Trial Demanded
)	
)	
Defendant.)	

COMPLAINT

Plaintiff, Oklahoma Health Care Association (OHCA), for its claims against the defendant, Clarendon National Insurance Company (Clarendon), states as follows:

I. Parties, Jurisdiction and Venue

1. Plaintiff, OHCA, is an Oklahoma unincorporated association, with its principal place of business in Oklahoma City, Oklahoma.

2. Clarendon is a New York corporation, with its principal place of business in New York, New York.

3. This case arises out of partial denial of a valid insurance claim which OHCA submitted to Clarendon under a "Specific Excess and Aggregate Excess Workers Compensation and Employers Liability Reimbursement Policy," which OHCA purchased from Clarendon, in the amount of \$152,500.00.

4. Oklahoma County, Oklahoma, is located within the jurisdiction and boundaries of the United States District Court for the Western District of Oklahoma, therefore, venue for this case is proper in this court, pursuant to Title 28 U.S.C. §116(c).

5. The amount in controversy in this case is in excess of \$75,000.00, exclusive of costs and interest, and is between citizens of different states, thus jurisdiction is proper, pursuant to Title 28 U.S.C. §1332.

II. Facts and Circumstances

6. OHCA purchased a "Specific Excess and Aggregate Excess Workers' Compensation and Employers Liability Reimbursement Policy;" Policy No. 01XS-0215-215, with a policy period of 07-01-2000 to 07-01-2001. (Clarendon National Insurance Company Policy No. 01XS-0215-215, Exhibit 1).

7. Pursuant to the Clarendon policy, OHCA submitted a valid insurance claim to Clarendon in the amount of \$564,260.00, however, Clarendon has only paid OHCA \$338,556.18 in regard to the claim.

8. Clarendon deliberately and intentionally reduced the amount of OHCA's valid insurance claim by \$225,703.82.

III. Breach of Contract

9. Clarendon breached the insurance policy which OHCA purchased by deliberately and intentionally reducing the amount of OHCA's valid insurance claim by \$225,703.82.

10. Clarendon has performed all conditions precedent to full recovery of its valid insurance claim, thus there is no excuse for Clarendon's breach.

11. As a result of Clarendon's breach, OHCA has sustained damages in the amount of \$225,703.82.

WHEREFORE, premises considered, Oklahoma Health Care Association prays for a judgment against Clarendon National Insurance Company in the amount of \$225,703.82 with interest at the highest legal rate, until paid, together with all costs of this case, including attorney fees and all other relief as the court may deem just and proper.

IV. Bad Faith

12. Clarendon's deliberate and intentional decision to reduce the amount of OHCA's valid insurance claim by the amount of \$225,703.82 was unreasonable under the circumstances, and Clarendon has breached its duty of good faith and fair dealing owed to OHCA under Oklahoma law.

13. As a result of Clarendon's deliberate and intentional decision to reduce the amount of Clarendon's valid insurance claim by \$225,703.82, OHCA has been forced to file this lawsuit.

14. In that Clarendon deliberately, intentionally and with malice breached its duty to deal fairly and in good faith with OHCA as required by Oklahoma law, OHCA is entitled to recover exemplary damages from Clarendon.

WHEREFORE, premises considered, Oklahoma Health Care Association prays for judgment against Clarendon National Insurance Company in an amount in excess of \$75,000.00 with interest at the highest legal rate, until paid, and for exemplary damages,

together with all costs of this action, including attorney fees and other such relief as the court may deem just and proper.

Respectfully submitted,

SECREST, HILL, BUTLER & SECREST

A handwritten signature in black ink, appearing to read 'Roger N. Butler, Jr.', is positioned above a horizontal line.

ROGER N. BUTLER, JR., OBA #13668
7134 South Yale, Suite 900
Tulsa, OK 74136-6360
(918) 494-5905 Telephone
(918) 494-2847 Facsimile
ATTORNEYS FOR PLAINTIFF